

002 - ASSESSOR

Operational Summary

Mission:

To serve the citizens of Orange County by valuing all legally assessable property with uniformity and impartiality, producing property tax assessment rolls in accordance with the laws of the State of California, and helping property owners to understand their property valuations.

Strategic Goals:

- Identify and properly value all taxable property in Orange County.
- Make property valuation information more accessible and easier to understand.
- Enhance operational efficiency and productivity through the implementation of new technology, policies and procedures.
- Encourage employee development by providing access to relevant training opportunities.

Key Outcome Indicators:

Performance Measure	2005 Business Plan Results	2006 Business Plan Target	How are we doing?
VALUE ALL TAXABLE PROPERTY IN ORANGE COUNTY. What: Fulfills the Assessor's Constitutional mandates. Why: Implements the provisions of Proposition 13 and other property tax laws.	Valued 859,112 real property parcels and 168,342 business/personal property accounts.	Continue to value all taxable property in the County, an estimated 880,000 real property parcels and 170,000 business and personal property accounts.	We continue to respond to market dynamics and real estate transactions that have increased significantly from year to year, as well as changes in property tax laws and a workload that is increasing and shifting continually.
PUBLISH THE SECURED AND UNSECURED ASSESSMENT ROLLS OF VALUE EVERY JULY. What: Fulfills the Assessor's Constitutional mandates. Why: Establishes the basis for property tax assessments that fund schools and local government services.	Published the secured and unsecured assessment rolls in July 2005.	Publish the secured and unsecured assessment rolls in July 2006.	We are in the process of valuing all taxable property in the County for the FY 2006-07 assessment rolls of value.
IMPLEMENT HOMEOWNER, VETERAN & INSTITUTIONAL EXEMPTIONS FOR ELIGIBLE INDIVIDUALS AND ORGANIZATIONS. What: Limits or reduces taxable value, as mandated by the State Constitution. Why: Qualifying individuals and organizations receive the tax-saving benefits of these exemptions.	More than 503,200 Homeowners, Veterans and Institutional exemptions were enrolled.	Implement exemptions in accordance with property tax laws.	We process claims and application forms on a continuous basis.

At a Glance:

Total FY 2005-2006 Actual Expenditure + Encumbrance:	29,066,804
Total Final FY 2006-2007	33,280,880
Percent of County General Fund:	1.13217%
Total Employees:	337.00

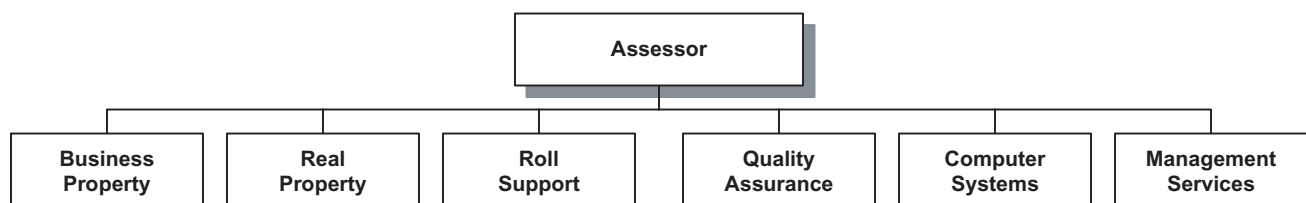
Key Outcome Indicators: (Continued)

Performance Measure	2005 Business Plan	2006 Business Plan	How are we doing?
	Results	Target	
APPLY TAXABLE VALUE RESTRICTIONS ADOPTED BY CALIFORNIA VOTERS. What: Restricts taxable value based on qualifying events. Why: Implements Prop. 13 and other property tax laws that restrict the taxable value of property.	Applied taxable value restrictions to eligible parcels in accordance with property tax laws. Value may be restricted if property declines in value, is transferred between parent and child, or is purchased as a replacement residence by a senior citizen or disabled property owner.	Continue to apply taxable value restrictions to eligible properties in accordance with property tax laws.	We process claims and application forms on a continuous basis, and evaluate Prop. 8 parcels annually.
CONTINUE TO PRODUCE LOCAL ASSESSMENT ROLLS THAT MEET LEGAL QUALITY STANDARDS. What: The SBE conducts periodic surveys to determine if assessment rolls meet legal quality standards. Why: Reduces appeals and related costs, provides uniformity statewide, builds confidence in the system.	In the most recent survey conducted by the State Board of Equalization (SBE), Orange County's local assessment rolls meet legal quality standards established by Government Code Sections 15640 and 15642. The minimum legal quality rating is 95.0%, and Orange County's rating is 98.6%.	Continue to produce assessment rolls in accordance with property tax laws and exceed the minimum legal quality rating of 95%.	The Orange County Assessor and staff continually monitor the status of property tax laws and state rules. Property assessment practice is modified to implement changes in the law.

FY 2005-06 Key Project Accomplishments:

- Businesses that operate in California are required by law to report business personal property holdings to the County Assessor in which the property is located. Property is reported annually on standard business property statement forms approved by the State Board of Equalization. The Orange County Assessor was appointed by the California Assessors' Association to take the lead role in developing a centralized on-line system that businesses could use to file property statements statewide. The Standard Data Record (SDR) system was first implemented in March 2005. In FY 2005-06, based on a new State legislation, SDR was expanded to allow filing of businesses statements for commercial aircrafts. A project was also initiated to add e-Filing functions to SDR in FY 2006-07 for small businesses and individual filers.
- The Assessor Department implemented a new tool to perform appraisal of newly constructed tract homes. This new tool incorporates tablet PC, electronic documents and images, and online workflow to streamline the new construction field appraisal and office review process. This new approach almost completely eliminates the paper handling required of appraisers.
- Orange County is the most productive of all urban California counties in terms of roll units worked per appraiser according to the latest report from State Board of Equalization.
- Staff productivity, as measured by the number of assessed parcels per authorized position, has increased 60% since 1975, from approximately 1,550 parcels per position to roughly 2,500 parcels per position in 2005.

Organizational Summary



Assessment Of Business Property - Audits and appraises business personal property and assesses all trade fixtures, leased equipment, boats and aircraft with taxable situs in Orange County.

Assessment Of Real Property - Appraises real property, new construction and reassessable changes in ownership, and maintains records on all real property parcels including residential, commercial, rural, industrial and special use properties.

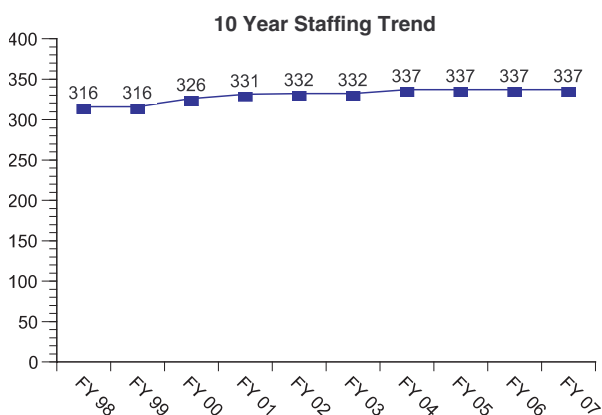
Roll Support - Reviews and maintains recorded documents evidencing a change in ownership of real property, prepares Assessor parcel maps and processes Homeowner, Veteran and Institutional exemptions.

Quality Assurance - Provides appraisal methodologies, procedures, training and quality control for roll production, audit and appraisal staff.

Computer Systems - Provides programming and data processing services, system security and technical services to support the development of the assessment rolls of value.

Management Services - Provides fiscal management, process integration, contract administration, procurement and personnel services, general department administration and public service support to the public and other government agencies.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Twenty-one (21) positions were deleted in FY 1995-96 due to the County bankruptcy. Extra help and overtime labor has been used as appropriate to complete the work.
- Ten (10) positions were added back in January 1999 to accommodate the increased workload base, and to help with the annual workload increases. The department still had a significant shortage in permanent labor hours.
- Five (5) unfunded limited-term positions were added in FY 2000-01 to manage vacancies and better accommodate recruitment timeframes and to meet a larger workload. One (1) full-time regular position was added mid-year FY 2000-01.
- Five (5) extra-help positions were converted to regular positions in FY 2002-03 to meet a growing workload and to get the department back to the 1994 staffing level. The department continues to use extra-help and overtime labor to manage seasonal workload fluctuations and complete the significant workload increase that has occurred since 1994. The staffing level also allowed the department to apply for the State-County Property Tax Administration Grant Program (AB-589).
- In FY 2005-06, a significant number of senior and experienced staff retired from the Assessor Department. As of March 2006, there was a total of 36 retirements representing a loss of almost 900 years of work experience in the department. The Assessor Department has been aggressively recruiting new staff, conducting training and promoting existing staff.
- In March 2004, the Assessor Department received a grant from the State of California, under the AB-589 program. Positions funded by the grant are budgeted in Agency 127. However, the Governor eliminated the funding for AB 589 Grant for FY 2005-06, and did not include funding in his proposed FY 2006-07 budget. The carry-over funds in Fund 127 may be exhausted by FY 2007-08.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Assessor Department recognizes the County's Strategic Priorities, and will continue to operate in concert with those priorities to the extent that they do not interfere with the Department's Constitutional mandate to produce valuation rolls and provide valuation services to Orange County's property owners and businesses.

Final Budget History:

Sources and Uses	FY 2004-2005 Actual Exp/Rev	FY 2005-2006 Budget	FY 2005-2006 Actual Exp/Rev ⁽¹⁾	FY 2006-2007 Final Budget	Change from FY 2005-2006 Actual	
		As of 6/30/06	As of 6/30/06		Amount	Percent
Total Positions	337	337	337	337	0	0.00
Total Revenues	10,813,099	6,720,825	11,950,381	7,464,357	(4,486,024)	-37.54
Total Requirements	28,986,764	31,785,410	28,959,275	33,280,880	4,321,605	14.92
Net County Cost	18,173,665	25,064,585	17,008,894	25,816,523	8,807,629	51.78

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Assessor in the Appendix on page A10

Budget Units Under Agency Control:

No.	Agency Name	Assessment Of Business Property	Assessment Of Real Property	Roll Support	Quality Assurance	Computer Systems	Management Services	Total
002	Assessor	4,876,924	8,403,059	8,369,986	741,611	2,388,604	8,500,696	33,280,880
127	Property Tax Admin State Grant	0	0	0	0	0	4,338,988	4,338,988
12P	Assessor Property Characteristics Revenue	0	0	0	0	0	110,000	110,000
	Total	4,876,924	8,403,059	8,369,986	741,611	2,388,604	12,949,684	37,729,868

002 - Assessor

Summary of Final Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2006-2007		Change from FY 2005-2006	
	Actual Exp/Rev		Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget		Actual Amount	Percent
Intergovernmental Revenues	\$ 33,356	\$	5,000	\$ 16,416	\$ 25,000	\$	8,584	52.29%
Charges For Services	10,779,742		6,715,825	11,886,483	7,439,357		(4,447,126)	-37.41
Miscellaneous Revenues	0		0	47,482	0		(47,482)	-100.00
Total Revenues	10,813,099		6,720,825	11,950,381	7,464,357		(4,486,024)	-37.54
Salaries & Benefits	23,126,275		25,491,725	23,382,431	26,510,780		3,128,349	13.38
Services & Supplies	6,048,280		6,382,685	5,562,728	6,710,100		1,147,372	20.63
Services & Supplies Reimbursements	(241,040)		(150,000)	(5,523)	0		5,523	-100.00
Fixed Assets	53,249		61,000	19,638	60,000		40,362	205.53
Total Requirements	28,986,764		31,785,410	28,959,275	33,280,880		4,321,605	14.92
Net County Cost	\$ 18,173,665	\$	25,064,585	\$ 17,008,894	\$ 25,816,523	\$	8,807,629	51.78%

(1) Amounts include prior year expenditure and exclude current year encumbrance. Therefore, the totals listed above may not match Total FY 2005-06 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Final Budget Summary of Assessment Of Business Property:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2006-2007		Change from FY 2005-2006	
	Actual Exp/Rev		Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget		Actual Amount	Percent
Salaries & Benefits	\$ 3,719,190	\$	4,504,443	\$ 4,124,293	\$ 4,690,099	\$	565,806	13.72%
Services & Supplies	128,519		172,125	149,274	186,825		37,551	25.16
Total Requirements	3,847,709		4,676,568	4,273,567	4,876,924		603,357	14.12
Net County Cost	\$ 3,847,709	\$	4,676,568	\$ 4,273,567	\$ 4,876,924	\$	603,357	14.12%

Final Budget Summary of Assessment Of Real Property:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2006-2007		Change from FY 2005-2006	
	Actual Exp/Rev		Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget		Actual Amount	Percent
Salaries & Benefits	\$ 8,088,142	\$	8,501,649	\$ 8,003,463	\$ 8,317,119	\$	313,656	3.92%
Services & Supplies	110,449		171,160	112,101	85,940		(26,161)	-23.34
Total Requirements	8,198,591		8,672,809	8,115,564	8,403,059		287,495	3.54
Net County Cost	\$ 8,198,591	\$	8,672,809	\$ 8,115,564	\$ 8,403,059	\$	287,495	3.54%

Final Budget Summary of Roll Support:

Revenues/Appropriations	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual Exp/Rev	Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget	Actual Amount	Percent
Salaries & Benefits	\$ 7,165,720	\$ 7,718,219	\$ 7,527,352	\$ 8,212,906	\$ 685,554	9.11%
Services & Supplies	119,532	92,185	121,001	157,080	36,079	29.82
Total Requirements	7,285,252	7,810,404	7,648,354	8,369,986	721,632	9.44
Net County Cost	\$ 7,285,252	\$ 7,810,404	\$ 7,648,354	\$ 8,369,986	\$ 721,632	9.44%

Final Budget Summary of Quality Assurance:

Revenues/Appropriations	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual Exp/Rev	Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget	Actual Amount	Percent
Salaries & Benefits	\$ 644,485	\$ 708,994	\$ 562,748	\$ 724,926	\$ 162,178	28.82%
Services & Supplies	7,989	19,250	9,614	16,685	7,071	73.54
Total Requirements	652,474	728,244	572,362	741,611	169,249	29.57
Net County Cost	\$ 652,474	\$ 728,244	\$ 572,362	\$ 741,611	\$ 169,249	29.57%

Final Budget Summary of Computer Systems:

Revenues/Appropriations	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual Exp/Rev	Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget	Actual Amount	Percent
Salaries & Benefits	\$ 2,110,039	\$ 2,155,552	\$ 2,033,009	\$ 2,355,404	\$ 322,395	15.86%
Services & Supplies	26,637	27,800	18,192	33,200	15,008	82.50
Total Requirements	2,136,676	2,183,352	2,051,202	2,388,604	337,402	16.45
Net County Cost	\$ 2,136,676	\$ 2,183,352	\$ 2,051,202	\$ 2,388,604	\$ 337,402	16.45%

Final Budget Summary of Management Services:

Revenues/Appropriations	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual Exp/Rev	Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget	Actual Amount	Percent
Intergovernmental Revenues	\$ 33,356	\$ 5,000	\$ 16,416	\$ 25,000	\$ 8,584	52.29%
Charges For Services	10,779,742	6,715,825	11,886,483	7,439,357	(4,447,126)	-37.41
Miscellaneous Revenues	0	0	47,482	0	(47,482)	-100.00
Total Revenues	10,813,099	6,720,825	11,950,381	7,464,357	(4,486,024)	-37.54
Salaries & Benefits	1,398,699	1,902,868	1,131,566	2,210,326	1,078,760	95.33
Services & Supplies	5,655,154	5,900,165	5,152,545	6,230,370	1,077,825	20.92

Final Budget Summary of Management Services:

Revenues/Appropriations	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual Exp/Rev	Budget As of 6/30/06	Actual Exp/Rev ⁽¹⁾ As of 6/30/06	Final Budget	Actual Amount	Percent
Services & Supplies	(241,040)	(150,000)	(5,523)	0	5,523	-100.00
Reimbursements						
Fixed Assets	53,249	61,000	19,638	60,000	40,362	205.53
Total Requirements	6,866,062	7,714,033	6,298,226	8,500,696	2,202,470	34.97
Net County Cost	\$ (3,947,037)	\$ 993,208	\$ (5,652,155)	\$ 1,036,339	\$ 6,688,494	-118.34%